

IAC-D-76	WSEG Request for Study of Soviet Bloc Military Transport Capabilities through Eastern Europe (1 Dec 53)
IAC-D-77	Budgetary Analysis of Intelligence Programs (10 Dec 53)
IAC-D-77/1	Budgetary Analysis of Intelligence Programs (28 Dec 53)
IAC-D-77/2	Budgetary Analysis of Intelligence Programs (31 Dec 53)
IAC-D-77/3	Budgetary Analysis of Intelligence Programs (12 Oct 54)
IAC-D-77/4	Memorandum for the IAC Subject: Special Budget Analysis - FY 1956 (3 Dec 54)
IAC-D-77/4 (Revised)	Budget Analysis on Covert Intelligence Collection (31 Jan 55)
IAC-D-77/5	Reexamination of CIA's Reimbursement Practices (29 June 55)

OSD has no objection to declassification and release.

IAC-D-78                      NSCID's on Security of Information and  
Avoidance of Publicity (NSCID's 11 and 12)  
(21 Dec 53)

IAC-D-78/1                  Proposed Revised NSCID 11 (6 Jan 54)

IAC-D-78/2                  NSCID's on Security of Information and  
Avoidance of Publicity (28 May 54)

IAC-D-79                      Proposed Discontinuance of IAC Progress  
Reports (21 Dec 53)

IAC-D-79/1                  Discontinuance of IAC Progress Reports  
(4 Jan 54)

IAC-D-80                      Biological Warfare Intelligence in Support  
of Research and Development Planning  
(8 Jan 54)

IAC-D-80/1                  Draft DCI Memorandum on Biological Warfare  
(2 Feb 54)

IAC-D-80/2                  DCI Memorandum to Defense Department on  
Biological Warfare (10 Feb 54)

IAC-D-80/3	SEC Estimate of Soviet Capabilities and Intentions to Develop BW (23 Apr 54)
IAC-D-80/4	NIE on Soviet Intentions to Employ BW (11 June 54)
IAC-D-80/5	SEC 3-55: Critical Deficiencies in Biological Warfare Intelligence (21 Mar 55)
IAC-D-80/5.1	SEC Progress Report on Implementation of Recommendations of SEC 3-55 (14 May 56)
IAC-D-80/6	SEC 3-57: Deficiencies in Biological Warfare Intelligence (1 May 1957)

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IAC-D-80/6  
1 May 1957

I N T E L L I G E N C E   A D V I S O R Y   C O M M I T T E E

SEC 3-57: Deficiencies in Biological Warfare Intelligence

The attached paper (SEC 3-57 and Annex thereto) will be placed on the agenda of an early IAC meeting for review, and appropriate action with respect to the recommendations of the Scientific Estimates Committee.



Secretary

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ILLEGIB

18 May 1956

**MEMORANDUM FOR:** Director, Central Intelligence

**SUBJECT :** SEC Progress Report on Implementation of  
Recommendations of SEC 3-55, Critical  
Deficiencies in Biological Warfare Intelli-  
gence, 12 April 1955 through 12 April 1956  
(IAC-D-80/5.1, 14 May 1956)

The Office of Scientific Intelligence has participated in the preparation of subject progress report and is in general agreement therewith. We agree with the remainder of the Scientific Estimates Committee that general progress in the implementation of recommendations of SEC 3-55 has been made during the period of report.

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Chairman  
Scientific Estimates Committee

IAC-D-80/5.1  
14 May 1956

I N T E L L I G E N C E   A D V I S O R Y   C O M M I T T E E

SEC Progress Report on  
Implementation of Recommendations of SEC 3-55

The attached report by the Scientific Estimates Committee on the implementation of recommendations of SEC 3-55, Critical Deficiencies in Biological Warfare Intelligence, 12 April 1955 through 12 April 1956, will be placed on the agenda of an early IAC meeting, for noting.

Secretary

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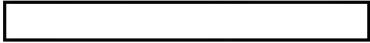
IAC-D-79/1  
4 January 1954

INTELLIGENCE ADVISORY COMMITTEE

DISCONTINUANCE OF IAC PROGRESS REPORTS

1. All agencies having agreed to the proposed discontinuance of the IAC Progress Reports, no such reports subsequent to IAC-PR-35 (2 November 1953) will be produced.

2. In addition to the reports listed in paragraph 2 of IAC-D-79 as established routines, a periodic recapitulation of National Intelligence Estimates and Special Estimates (see memo to IAC from ONE dated 12 June 1953) will be prepared by CIA.

  
Secretary

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IAC-D-79/1  
4 January 1954

NE-ZAC

[REDACTED]

IAC-D-79  
21 December 1953

INTELLIGENCE ADVISORY COMMITTEE

Proposed Discontinuance of IAC Progress Reports

1. IAC Progress Reports have been issued regularly since November 1950. They were originally intended to reflect progress achieved primarily in the preparation of National Estimates, and secondarily in other matters of concern to the IAC. Their inception coincided with and were part of the development of a program of National Estimates (IAC-M-3; IAC-PR-1).

2. IAC Progress Reports were issued biweekly until July 1951, monthly until January 1953, and have been issued bimonthly during 1953. As the interval between these reports has been lengthening there has been a concurrent development of other reports. Thus, the semi-annual IAC Progress Report to the NSC (IAC-D-55 series) and the annual Program of National Estimates, with quarterly revisions (IAC-D-1 series) have become established routines. Similarly, most of the IAC permanent subcommittees are now making recurrent reports (D-6, D-13, D-22, D-28, D-53, and D-74 series).

3. In view of the foregoing, it is doubted that the continued production of an IAC Progress Report, even on a bimonthly basis, is a profitable exercise. Accordingly, it is proposed to discontinue this series entirely. Users of the reports are requested to notify their views, if any, to the Secretary by 31 December 1953.

[REDACTED]

Secretary

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IAC-D-79  
21 December 1953

NE-1 R.

IAC-D-78/2

28 May 1954

INTELLIGENCE ADVISORY COMMITTEE

NSCIDs ON SECURITY OF INFORMATION AND  
AVOIDANCE OF PUBLICITY

(NSCIDs 11 and 12)

1. On 15 January 1954 the IAC agencies concurred in a revision of NSCID-11 which amalgamated NSCIDs 11 and 12 (IAC-D-78/1). It will be recalled that this proposal was developed because Executive Order 10501 of 15 December 1953 eliminated the classification "Restricted," which is the classification of NSCID-12.

2. Subsequently the Director of Central Intelligence concluded that it would be preferable to leave these NSCIDs as they are and to meet the current problem by raising the classification of NSCID-12 from "Restricted" to "Confidential." This he proposes to do unless objections are received by close of business, 3 June 1954. Comments may be registered orally to the undersigned (Code 143, Extension 766) or in writing (1128 M Building).

JAMES Q. REBER  
Acting Secretary

IAC-D-78/2

28 May 1954

NSC-D

52

IAC-D-78/1  
6 January 1954

INTELLIGENCE ADVISORY COMMITTEE

PROPOSED REVISED NSCID-11

1. As recommended in IAC-D-78, 21 December 1953, agency representatives have developed a draft proposed revised NSCID-11 (Tab A). This revision, to be classified "Confidential," incorporates in its paragraph 5 pertinent material from NSCID-12, which Directive would be rescinded. No material not now in NSCIDs 11 or 12 is included in the draft revision.

2. It is proposed to recommend, with the concurrence of the IAC, that the NSC issue this revised directive. Accordingly, it would be appreciated if each agency would notify the undersigned as to its concurrence or non-concurrence by 15 January.

Secretary

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IAC-D-78/1  
6 January 1954

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D R A F T

TAB A to  
IAC-D-78/1  
6 January 1954

NATIONAL SECURITY COUNCIL INTELLIGENCE DIRECTIVE NO. 11

SECURITY OF INFORMATION ON  
INTELLIGENCE SOURCES AND METHODS

(Revised \_\_\_/\_\_\_/54; Confidential)

Pursuant to the provisions of Sections 101 (b) (2) and 102 (d) (3) of the National Security Act of 1947, as amended, the National Security Council hereby authorizes and directs that:

1. The Department and Agencies of the Government engaged in intelligence activities shall take steps to prevent unauthorized disclosure of information on United States intelligence sources and methods. Each Agency will determine its own channel for authorization to release any such information. The delimiting phrase "intelligence sources and methods" includes information ostensibly overt which requires security protection because of its specific means of procurement or specific place of procurement, revelation of which would endanger intelligence sources and methods, but the phrase does not include intelligence information as such, the dissemination of which is already covered by appropriate departmental and agency security regulations.

TAB A to  
IAC-D-78/1  
6 January 1954

TAB A to  
IAC-D-78/1  
6 January 1954

-2-

2. The Director of Central Intelligence shall coordinate policies concerning the protection of intelligence sources and methods, within the limits established by Section 102 of the National Security Act of 1947, except where provision has already been made by the National Security Council.

3. In protecting intelligence sources and methods, the Director of Central Intelligence and the other Intelligence Directors shall be guided by the principle that covert or sensitive information, either unevaluated or as an intelligence product, shall go only to those whose official duties require such knowledge.

4. In order to protect intelligence sources and methods further, any reference to the Central Intelligence Agency should emphasize its duties as the coordinator of intelligence, rather than its secret intelligence activities. No reference will be made to this agency whatsoever unless it is unavoidable, of course.

5. Since any publicity, factual or fictional, concerning intelligence is potentially detrimental to the effectiveness of an intelligence activity and to the national security, all departments and agencies represented by membership on the Intelligence Advisory Committee shall take steps to prevent the unauthorized disclosure for written or oral publication of any information concerning intelligence or intelligence activities. In cases where the disclosure of classified

TAB A to  
IAC-D-78/1  
6 January 1954

-3-

information is sought from the Director of Central Intelligence, and he has doubt as to whether he should comply, the question will be referred to the National Security Council.

6. National Security Council Intelligence Directive No. 12\* is herewith rescinded.

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\*Note: NSCID No. 12, "Avoidance of Publicity Concerning The Intelligence Agencies of the U.S. Government," was issued 6 January 1950.

TAB A to  
IAC-D-78/1  
6 January 1954

[REDACTED]

IAC-D-78  
21 December 1953

INTELLIGENCE ADVISORY COMMITTEE

NSCIDs ON SECURITY OF INFORMATION AND  
AVOIDANCE OF PUBLICITY

(NSCIDs 11 and 12)

1. The staff study attached as Tab A has been developed to achieve a DCI recommendation to the NSC respecting subject directives.

2. Subject directives were created with IAC concurrence. In order that the IAC participate similarly in the present problem, it is requested that each agency designate a representative to discuss Tab A at a meeting in 1128 M Building, CIA, on Wednesday, 6 January 1954, at 2:00 P.M.

[REDACTED]

Secretary

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IAC-D-78  
21 December 1953

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CONFIDENTIAL

IAC-D-78

21 December 1953

NSCIDs ON SECURITY OF INFORMATION AND  
AVOIDANCE OF PUBLICITY

(NSCIDs 11 and 12)

1. Problem: To recommend to the NSC what action it should take respecting NSCID No. 12, which is classified "Restricted," now an unauthorized classification under Executive Order 10501, effective 15 December 1953.

2. Facts Bearing on the Problem:

a. NSCID-12 (and its accompanying letter to the heads of Executive Department and Establishments\*) were developed by the IAC pursuant to recommendation No. 7 of NSC-50, as was NSCID-11.

b. Proposed NSCID-12 was transmitted to the NSC by DCI memorandum of 16 August 1949, which stated in part: "It is further suggested, with the unanimous concurrence of the IAC, that this NSCID if issued should be declassified to 'Restricted.'"

3. Discussion: The NSC Secretariat, recognizing the desirability, in the light of E.O. 10501, of reexamining NSC intelligence directives classified "Restricted" has asked CIA's recommendation as to NSCID-12, the only such directive so classified. Classification recommendations are limited to suggesting an upgrading to "Confidential" or a downgrading to unclassified. The rescission

---

\*The January 6, 1950 letter from Executive Secretary, NSC, was originally classified "Restricted." In the book assembled for the incoming administration as part of "Project Victor" it was reprinted as unclassified. It thus now appears in the Compilation of Intelligence Directives as unclassified. Whether or not it has ever officially been declassified, it now should be, regardless of action taken respecting NSCID-12.

CONFIDENTIAL

TAB A to

IAC-D-78

21 December 1953

CONFIDENTIAL

TAB A to

IAC-D-78

21 December 1953

of NSCID-12 and revision of NSCID-11 to include the material in NSCID-12 is a possible alternative.

4. Conclusions:

a. The category "Confidential" by E.O. 10501, is authorized "only for defense information or material, the unauthorized disclosure of which could be prejudicial to the defense interest of the nation." NSCID-12 is not such defense information or material. It is rather instructional matter of a general policy type, comparable to the introductory considerations in E.O. 10501. Therefore, if retained, NSCID-12 should be unclassified.

b. NSCIDs 11 and 12 were originally incorporated in one draft proposed directive. Separate treatment of these related matters was ultimately proposed because of a belief that NSC-50 required separate directives on these subjects. In fact, NSCID-12 is but an extension of NSCID-11, as the January 6, 1950 letter to Department heads is an extension of NSCID-12. Accordingly, it would be feasible to rescind NSCID-12 and concurrently revise NSCID-11 (Secret) by adding, as paragraphs 5 and 6, paragraphs 1 and 3 of NSCID-12.

5. Recommendation: That the DCI, with IAC concurrence, recommend to the NSC the rescission of NSCID-12 and revision of NSCID-11 to incorporate pertinent material from NSCID-12.

TAB A to

IAC-D-78

21 December 1953

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TAB to Table:  
Cost of Overt Intelligence Collection  
1 November 1954

BUDGET ANALYSIS ON  
OVERT INTELLIGENCE COLLECTION

1. Interagency arrangements, supplemental to the NSC Intelligence Directives, which will be used to produce an effective and coordinated overt intelligence collection program in 1956:

a. Publications Procurement. NSCID 16 established an Advisory Committee on Foreign Language Publications. Its subcommittees on Procurement, Exploitation, and Reference are engaged in systematically developing coordinated approaches among the IAC agencies to the major problems in the handling of foreign language materials. Establishment of the Procurement Subcommittee has enabled the full-time and part-time Publications Procurement Officers and other designated officers at major Foreign Service posts to receive coordinated advice and instructions covering the needs of most Washington agencies.

b. Map Procurement. The Map Procurement Program is concerned with obtaining foreign maps and related materials for the intelligence community. Requirements for this Procurement Program are coordinated through the activities of the Inter-Agency Map Coordinating Committee

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25X1 on which the various organizations are represented. A second and  
very important part of the [ ] program is the re-  
25X1 porting undertaken by these officers. In accordance with the com-  
prehensive reporting guide contained in "General Instructions for  
[ ]" the basic reports include: (a) the monthly  
report of activities; [ ]

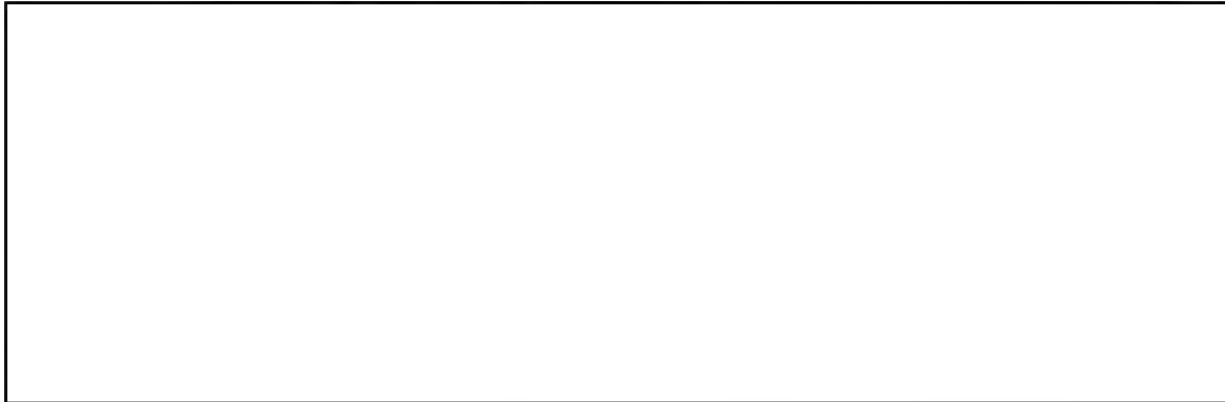
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c. Economic Intelligence. In 1952 an Economic Intelligence  
Committee was established under the IAC to assist in implementing  
NSCID 15. Responsibility for reviewing and making recommendations  
concerning community-wide coordination of requirements for collection  
in support of economic intelligence research was assigned to an EIC  
Subcommittee on Requirements and Facilities for Collation - which  
represented the first continuing body in which interagency collection  
representatives had come together since dissolution of the CIG Committee  
on Collection 1947. Among the principal accomplishments of this sub-  
committee are:

- 2 -

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(2) The consolidation of intelligence requirements for incorporation in the Comprehensive Economic Reporting Program (CERP), which continuously revises current economic-reporting instructions to all Foreign Service posts outside the Soviet Bloc.

(3) A program of continuing intelligence-community guidance to all reporting posts behind the Iron Curtain, including coordinated preparation of individual "Guides to Economic Reporting Officers" for each major post.

(4) Interagency agreements for more effective utilization of a wide variety of incoming materials.

d. Coordination of Field Reporting. Through continuous liaison between the State Department and the various IAC agencies (either directly or through the EIC) increased community-wide coordination is encouraged, both in Washington and in the field. Chapter 900 of the Foreign Service Manual deals with coordination

- 3 -

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in the field, and the Department on March 22, 1954 sent a special instruction (CA5190) to all Chiefs of Mission reiterating the coordinating role of mission chiefs under NSCID 2 and urging maximum use of all available personnel, including service attaches. At the same time, the Army, Navy and Air Force dispatched similar messages to all attaches, urging maximum cooperation with mission chiefs in developing coordinated collection programs.

e. Exchange of Field Reports in Washington. As outlined in paragraph 7 of NSCID 2, there is now virtually complete exchange of field reports in Washington. Uniform subject coding of CIA, Army, and Air Force field reports prior to dissemination greatly simplifies use of these reports.

f. Overt Collection - Domestic. NSCID 7 provides that CIA shall be responsible for the exploitation "on a highly selective basis," within the U.S., of business concerns, other non-governmental organizations and individuals as sources of foreign intelligence information. Guidance in this selection is provided by the continuing requirements statements of the research elements of CIA and the other IAC agencies, supplemented by continuous liaison to discuss specific needs and individual sources.

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h. Every government agency in Washington maintains one or more liaison officials whose function is to serve as the focal point for the transaction of intelligence matters, including the receipt and delivery of intelligence materials, the coordination of requirements, and the servicing of collection directives.

2. An evaluation of the sufficiency of the several agencies' requests in the light of that program;

The several agencies' requests are adequate only to support minimum essential requirements. Certain personnel shortages continue to handicap the overt collection effort of the intelligence community. This deficiency is applicable particularly to the fields of publications and map procurement, agricultural reporting and Foreign Service peripheral reporting.

- 8 -

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There is, for example, urgent need for additional personnel to procure publications in [REDACTED]

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to cover geographic information in [REDACTED]

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and to cover [REDACTED]

[REDACTED] sources on Communist China in Southeast Asia. There is also urgent need for more adequate agricultural reporting on the Soviet Bloc. [REDACTED]

At current staffing levels, the Foreign Service is unable to produce an adequate quantity of basic biographic information and analytical reports to meet the needs of the intelligence community. Also, because of work pressures on available staff and shortage of travel funds, reporting on areas outside post cities has suffered.

Travel restrictions in the countries of the Soviet Orbit continue to be a major obstacle to effective collection by Military Attaches. Although these restrictions have been eased, officially in some countries, there has been a simultaneous increase in surveillance and administrative harassment which severely hampers attache collection activities.

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IAC-D-77/4  
(Revised)  
31 January 1955  
Limited  
Distribution

INTELLIGENCE ADVISORY COMMITTEE

BUDGET ANALYSIS ON OVERT INTELLIGENCE COLLECTION

1. There is circulated herewith for the review and approval of the members of the IAC a revised copy of subject paper, prepared in response to a request from the Director of the Budget. (See IAC-M-170, 171; IAC-D-77/3, 77/4). The table of budget figures circulated with IAC-D-77/4 has not been revised and is, therefore, not included with this revision. It will be included, however, in the final submission to the Bureau of the Budget.

2. Every effort has been made to reflect in the present draft the various suggestions submitted. If any significant differences still remain, it will be necessary to call another meeting of the working group in order to resolve them.

3. Please telephone your concurrence or non-concurrence in this revised draft to the Secretariat, code 143, extension 3408, by the close of business, Monday, 7 February.

[Redacted Signature Box]

Secretary

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[Redacted Line]

AEC Mr. Rickard / Mr. SS

7 Feb.

Concurs

[Redacted Line]

6 Feb.

abstains (agreed paper)

NSAF Maj. Woods / Mr. Moberg

7 Feb

Not - Concurs

IAC-D-77/4  
(Revised)  
31 January 1955

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10 January 1955

BUDGET ANALYSIS ON  
OVERT INTELLIGENCE COLLECTION

1. Interagency arrangements, supplemental to the NSC Intelligence Directives, which will be used to produce an effective and coordinated overt intelligence collection program in 1956:

a. Publications Procurement. NSCID 16 established an Advisory Committee on Foreign Language Publications. Its subcommittees on Procurement, Exploitation, and Reference are engaged in systematically developing coordinated approaches among the IAC agencies to the major problems in the handling of foreign language materials. Establishment of the Procurement Subcommittee has enabled the full-time and part-time Publications Procurement Officers and other designated officers at major Foreign Service posts to receive coordinated advice and instructions covering the needs of most Washington agencies.

b. Map Procurement. The Map Procurement Program is concerned with obtaining foreign maps and related materials for the intelligence community. Requirements for this Procurement Program are coordinated through the activities of the Inter-Agency Map Coordinating Committee on which the various organizations are represented. A second and very important part of the [ ] program is the reporting undertaken by those officers. In accordance with the comprehensive reporting guide contained in "General Instructions for [ ]

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25X1 [redacted] the basic reports include: (a) the monthly report of activities; [redacted]

25X1 [redacted]

c. Economic Intelligence. In 1952 an Economic Intelligence Committee was established under the IAC to assist in implementing NSCID 15. Responsibility for reviewing and making recommendations concerning community-wide coordination of requirements for collection in support of economic intelligence research was assigned to an EIC Subcommittee on Requirements and Facilities for Collation - which represented the first continuing body in which interagency collection representatives had come together since dissolution of the CIG Committee on Collection 1947. Among the principal accomplishments of this subcommittee are:

25X1 [redacted]

(2) The consolidation of intelligence requirements to be incorporated in the Comprehensive Economic Reporting Program (CERP), which continuously revises current economic-reporting instructions to

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all Foreign Service posts outside the Soviet Bloc.

(3) A program of continuing intelligence-community guidance to all reporting posts behind the Iron Curtain, including coordinated preparation of individual "Guides to Economic Reporting Officers" for each major post.

(4) Interagency agreements for more effective utilization of a wide variety of publications materials.

d. Coordination of Field Reporting. Through continuous liaison between the State Department and the various IAC agencies (either directly or through the EIC) increased community-wide coordination is encouraged, both in Washington and in the field. Chapter 900 of the Foreign Service Manual deals with coordination in the field, and the Department on March 22, 1954 sent a special instruction (CA5190) to all Chiefs of Mission reiterating the coordinating role of mission chiefs under NSCID 2 and urging maximum use of all available personnel, including service attaches. At the same time, the Army, Navy and Air Force dispatched similar messages to all attaches, urging maximum cooperation with mission chiefs in developing coordinated collection programs.

e. Exchange of Field Reports in Washington. As outlined in paragraph 7 of NSCID 2, there is now virtually complete exchange of field reports in Washington. Uniform subject coding of CIA, Army, and Air Force field reports prior to dissemination greatly simplifies use of those reports.

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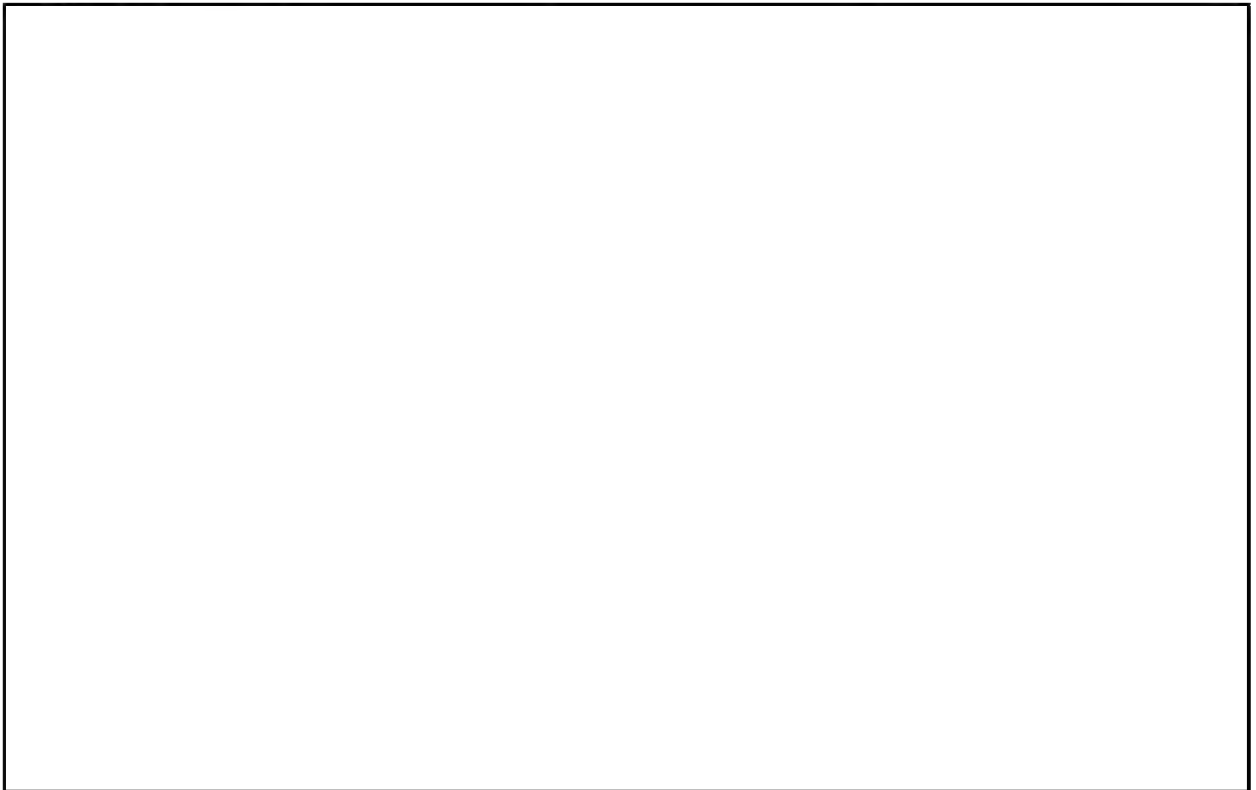
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f. Overt Collection - Domestic. NSCID 7 provides that CIA shall be responsible for the exploitation "on a highly selective basis", within the U.S., of business concerns, other non-governmental organizations and individuals as sources of foreign intelligence information. Guidance in this selection is provided by the continuing requirements statements of the research elements of CIA and the other IAC agencies, supplemented by continuous liaison to discuss specific needs and individual sources.

To assure that this service is of maximum value to consumers, conferences are being scheduled at the working level in all of the member agencies.. In addition, four specific interagency arrangements are either completed or well on the way to completion:



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h. Every government agency in Washington maintains one or more liaison cleared officials whose function is to serve as the focal point for the transaction of intelligence matters; including, the receipt and delivery of intelligence materials, the coordination of requirements, and the servicing of collection directives.

2. An evaluation of the sufficiency of the several agencies' requests in the light of that program;

The several agencies' requests are generally adequate to support minimum essential requirements. However, except for the relief which approval would provide of certain over-ceiling budget terms requested by the State Department, a few acute shortages would continue to handicap the intelligence community. The most serious to the Department of State has been the absence of a full-time Publications Procurement Officer

Publications Procurement Officers are also urgently needed

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25X1 [redacted]  
[redacted] A [redacted] is urgently required

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25X1 [redacted] a peripheral reporting officer in [redacted]

25X1

25X1 an additional peripheral officer in [redacted] to cover the satellite

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countries, and [redacted]

[redacted] secure information from

Communist China; several of these inadequacies would be corrected by the State Department's 1956 over-ceiling budget request.

There is also urgent need for more adequate agricultural reporting on the Soviet Bloc.

[redacted]

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At current staffing levels, Foreign Service reporting, suffers from inability of officers, under pressure of other high priority duties, to travel sufficiently outside post cities, provide basic of biographic information, and prepare analytical reports in the volume required by the intelligence community.

Travel restrictions in the countries of the Soviet Orbit continue to be a major obstacle to effective collection by Military Attaches. Although these restrictions have been eased, officially in some countries, there has been a simultaneous increase in surveillance

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and administrative harassment which severely hampers attache collection activities.

There has been an over-all reduction in Military Attache complements, although adjustments of personnel to augment staffs at critical posts have resulted in some net improvement in coverage at these posts. Substantial improvement in military intelligence collection under the present personnel, equipment and operations expense limitations apart from restrictions or assistance by foreign governments, will depend upon improved guidance and the development of new collection techniques.

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3. The areas of activity which may require altered emphasis and/or modified coordination in the near future.

a. Economic Reporting. There is still insufficient Washington coordination of economic intelligence requirements, and of the collection action instituted to service such requirements. As one specific step the EIC has agreed on the identification of highest-priority gaps in collection needed to support research in such fields as Soviet armament, electronics, and transportation. Approved lists of the collection data required have been transmitted to the EIC Subcommittee on Requirements and Facilities for Collation to explore the possibilities of coordinated planning of implementing collection efforts.

b. Publications Procurement. Full coordination of publications procurement in the field is desirable and necessary in order to prevent duplication of procurement in response to general requirements. Specific requirements are coordinated in Washington by the Procurement Sub-Committee established under NSCID-16.

c. Better Utilization of all Governmental Overseas Personnel for Reporting Information. One of the objectives of intelligence coordination is the development of systematic methods for tapping US personnel overseas who are not primarily reporting officers. Many of these officials are well informed on certain geographic areas and enjoy close contacts with segments of foreign societies which are often not accessible to regular reporting officers. At present,

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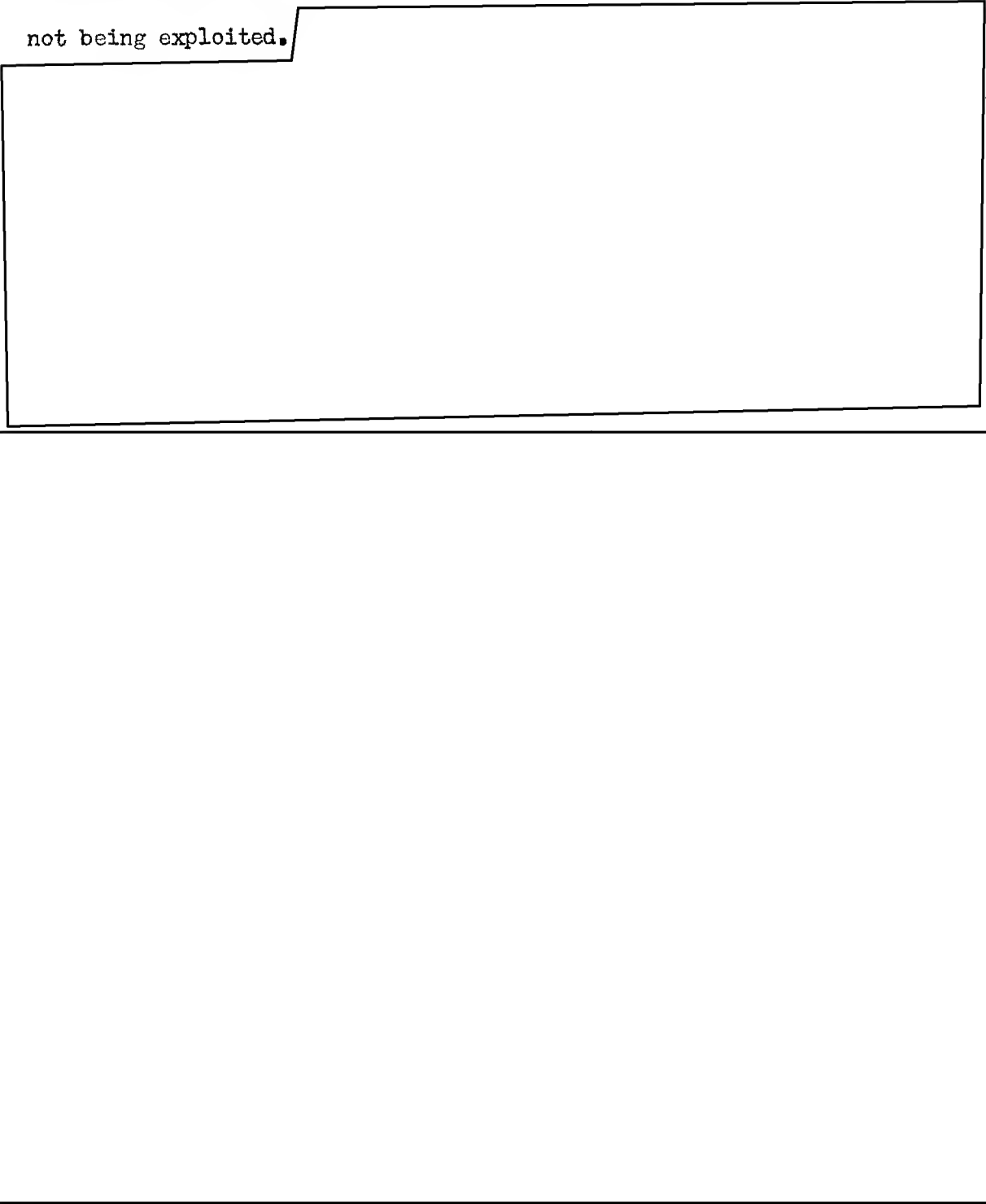
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the potential of most of these officers for valuable information is  
not being exploited.



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IAC-D-77/4  
3 December 1954

LIMITED DISTRIBUTION

MEMORANDUM FOR THE INTELLIGENCE ADVISORY COMMITTEE

SUBJECT: Special Budget Analysis - FY 1956

1. At the IAC Meeting of 21 September 1954 there were circulated copies of a letter dated 3 September 1954 from Mr. Rowland Hughes, Director of the Budget, requesting the IAC to "compile a special budget analysis summarizing by member agency the 1956 budget estimates for those overt intelligence collection activities which are the direct responsibilities of the officers comprising the Committee" (IAC-M-170). At the following meeting, on 5 October it was decided to send an interim reply to the Director of the Budget proposing that a committee meet with Mr. Macy, as suggested by Mr. Hughes, for further clarification of the request (IAC-M-171). This letter was forwarded on 9 October (IAC-D-77/3) and the following working group, under the chairmanship of Colonel Lawrence K. White of CIA, was named:

State: Mr. Killea  
G-2: Colonel Gretser  
ONI: Captain Stuart  
AF: Major La Vigne

2. There is attached for the review and approval of the members of the IAC a copy of the special budget analysis prepared in response to this request. This report has been informally discussed with a representative of the Bureau of the Budget. In view of the timing involved, he stated that the report in its present form would satisfactorily serve the purposes for which it was requested this year.

3. Only one copy of this report is being sent to each of the IAC agencies since it is desired to limit the distribution of these budget figures on a need-to-know basis.

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IAC-D-77/4  
3 December 1954



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IAC-D-77/4  
3 December 1954

4. The Bureau of the Budget has expressed the desire to receive this report as soon as possible. It will be appreciated, therefore, if you will give it your earliest consideration, and communicate your concurrence or non-concurrence in the report to the Secretariat (Code 143, extension 3408) by noon, Friday, 10 December 1954.

5. Questions regarding the report may be referred to the Secretariat.

[Redacted Signature]

Secretary

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F.B.I. - Mr. Kuchly, tel /ss 9 Dec,  
outside of jurisdiction - no comment

USAF - Major Woods, tel [Redacted] 9 Dec.  
non-concurrence, sending memo

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[Redacted] tel /ss, 10 Dec  
abstaining

C-2 - Mr. Pante, tel /ss, 10 Dec  
Preparing Memo, 13 Dec

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State - Mr. Henderson, tel [Redacted], 10 Dec  
Sending over suggested changes, 13 Dec.

AEC - Mr. Revelant, tel /ss, 13 Dec.  
abstaining

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IAC-D-77/4  
3 December 1954

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S E C R E T

15 November 1954

BUDGET ANALYSIS ON  
OVERT INTELLIGENCE COLLECTION

1. Interagency arrangements, supplemental to the NSC Intelligence Directives, which will be used to produce an effective and coordinated overt intelligence collection program in 1956:

a. Publications Procurement. NSCID 16 established an Advisory Committee on Foreign Language Publications. Its subcommittees on Procurement, Exploitation, and Reference are engaged in systematically developing coordinated approaches among the IAC agencies to the major problems in the handling of foreign language materials. Under the general direction of the Procurement Subcommittee, the full-time and part-time Publications Procurement Officers and other designated officers at major Foreign Service posts receive coordinated advice and instructions covering the needs of most Washington agencies.

b. Map Procurement. The Map Procurement Program is concerned with obtaining foreign maps and related materials for the intelligence community. Requirements for this Procurement Program are coordinated through the activities of the Inter-Agency Map Coordinating Committee on which the various organizations are represented. A second and very important part of the  program is the reporting undertaken by these officers. In accordance with the comprehensive

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reporting guide contained in "General Instructions for [ ]

[ ] the basic reports include: (a) the monthly report of activities; [ ]

c. Economic Intelligence. In 1952 an Economic Intelligence Committee was established under the IAC to assist in implementing NSCID 15. Responsibility for community-wide coordination of requirements for collection in support of economic intelligence research was assigned to an EIC Subcommittee on Requirements and Facilities for Collation - which represented the first continuing body in which interagency collection representatives had come together since dissolution of the CIO Committee on Collection 1947. Among the principal procedures so far developed by this subcommittee are:

(2) The consolidation of intelligence requirements to be incorporated in the Comprehensive Economic Reporting Program (CERP), which continuously revises current economic-reporting instructions to all Foreign Service posts outside the Soviet Bloc.

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(3) A program of continuing intelligence-community guidance to all reporting posts behind the Iron Curtain, including coordinated preparation of individual "Guides to Economic Reporting Officers" for each major post.

(4) Interagency arrangements for more effective exploitation of a wide range of materials - including regular exchange of specialized collection manuals, guidance to central depositories and indexes (such as the Industrial Register) and recommendations for better utilization of various documents and publications. (For example, the Advisory Committee of Foreign Language Publications referred to in paragraph 1, a, above, was established by the National Security Council as a direct result of recommendations from this EIC subcommittee.)

Under Executive Order 10249 all requests from any department of the Government for economic information from the Foreign Service are coordinated by the State Department's Division of Foreign Reporting (REF). Intelligence contributions for economic reporting instructions are assembled from the several IAC agencies as a staff function of the EIC Subcommittee on Requirements and Facilities for Collation and transmitted to REF. The purpose of this procedure are to tailor requests from Washington to the reporting capabilities of the Foreign Service staffs at each major post overseas and to establish reporting priorities based on the importance of the information requested. Schedules of required reporting and Alert Lists are accordingly set up for each post. Spot requests to the Foreign

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Service for economic reporting must also be reviewed by REP and assigned an appropriate priority. REP issues all standing economic reporting instructions to the field and periodically arranges for end-users to evaluate the reporting performance of each post.

d. Coordination of Field Reporting. Through continuous liaison between the State Department and the various IAC agencies (either directly or through the EIC) increased community-wide coordination is encouraged, both in Washington and in the field. Chapter 900 of the Foreign Service Manual deals with coordination in the field, and the Department on March 22, 1954, sent a special instruction (CA5190) to all Chiefs of Mission reiterating the coordinating role of mission chiefs under NSCID 2 and urging maximum use of all available personnel, including service attaches. At the same time, the Army, Navy and Air Force dispatched similar messages to all attaches, urging maximum cooperation with mission chiefs in developing coordinated collection programs.

e. Exchange of Field Reports in Washington. As outlined in paragraph 7 of NSCID 2, there is now virtually complete exchange of field reports in Washington. Uniform subject coding of CIA, Army, and Air Force field reports prior to dissemination greatly simplifies use of these reports.

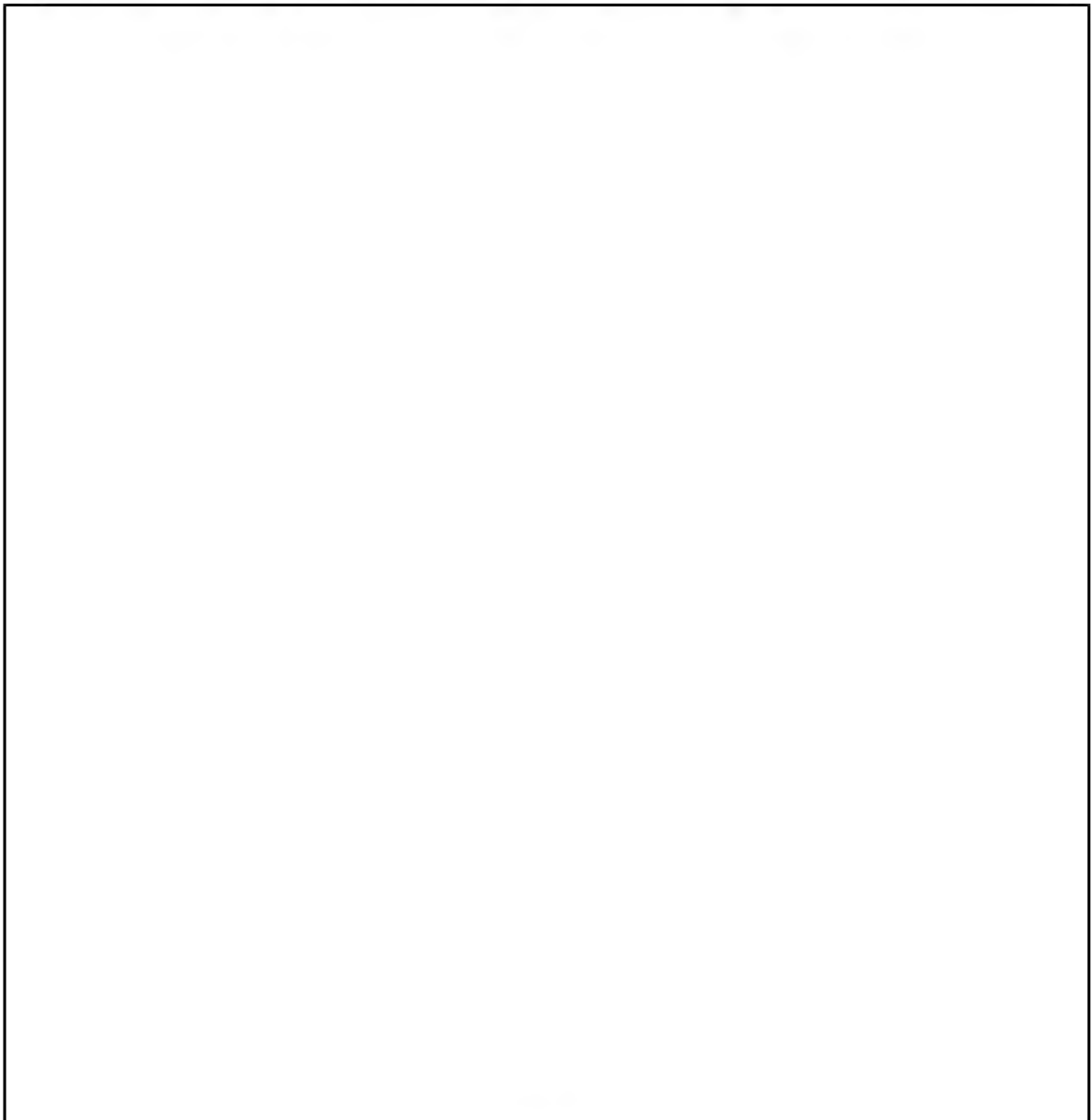
f. Overt Collection - Domestic. NSCID 7 provides that CIA shall be responsible for the exploitation "on a highly selective basis", within the U.S., of business concerns, other non-governmental organizations and individuals as sources of foreign intelligence information. Guidance in this selection is provided by the continuing

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requirements statements of the research elements of CIA and the other IAC agencies, supplemented by continuous liaison to discuss specific needs and individual sources.

To assure that this service is of maximum value to consumers, conferences are being scheduled at the working level in all of the member agencies. In addition, four specific interagency arrangements are either completed or well on the way to completion:

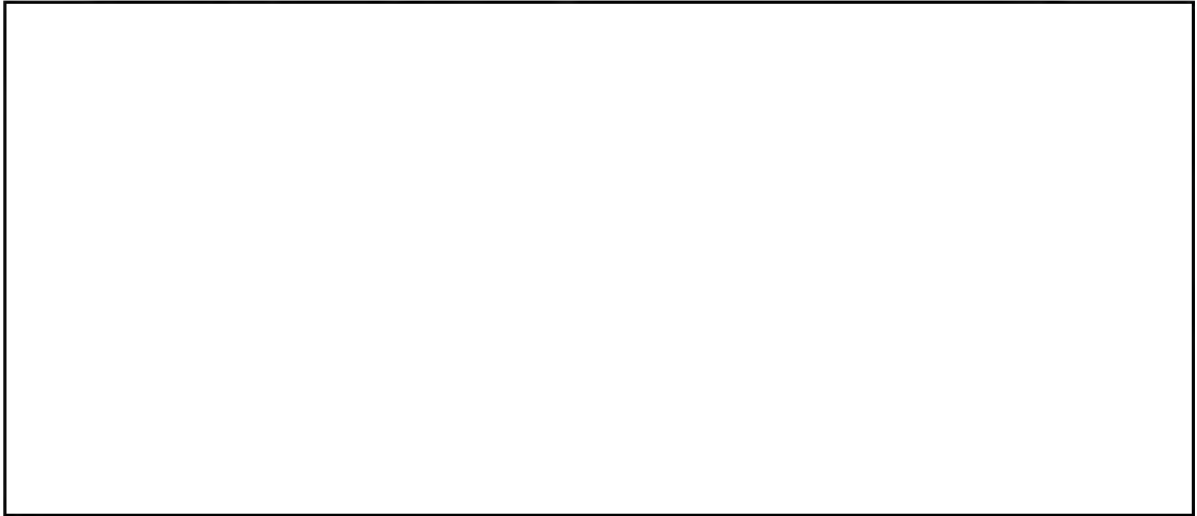


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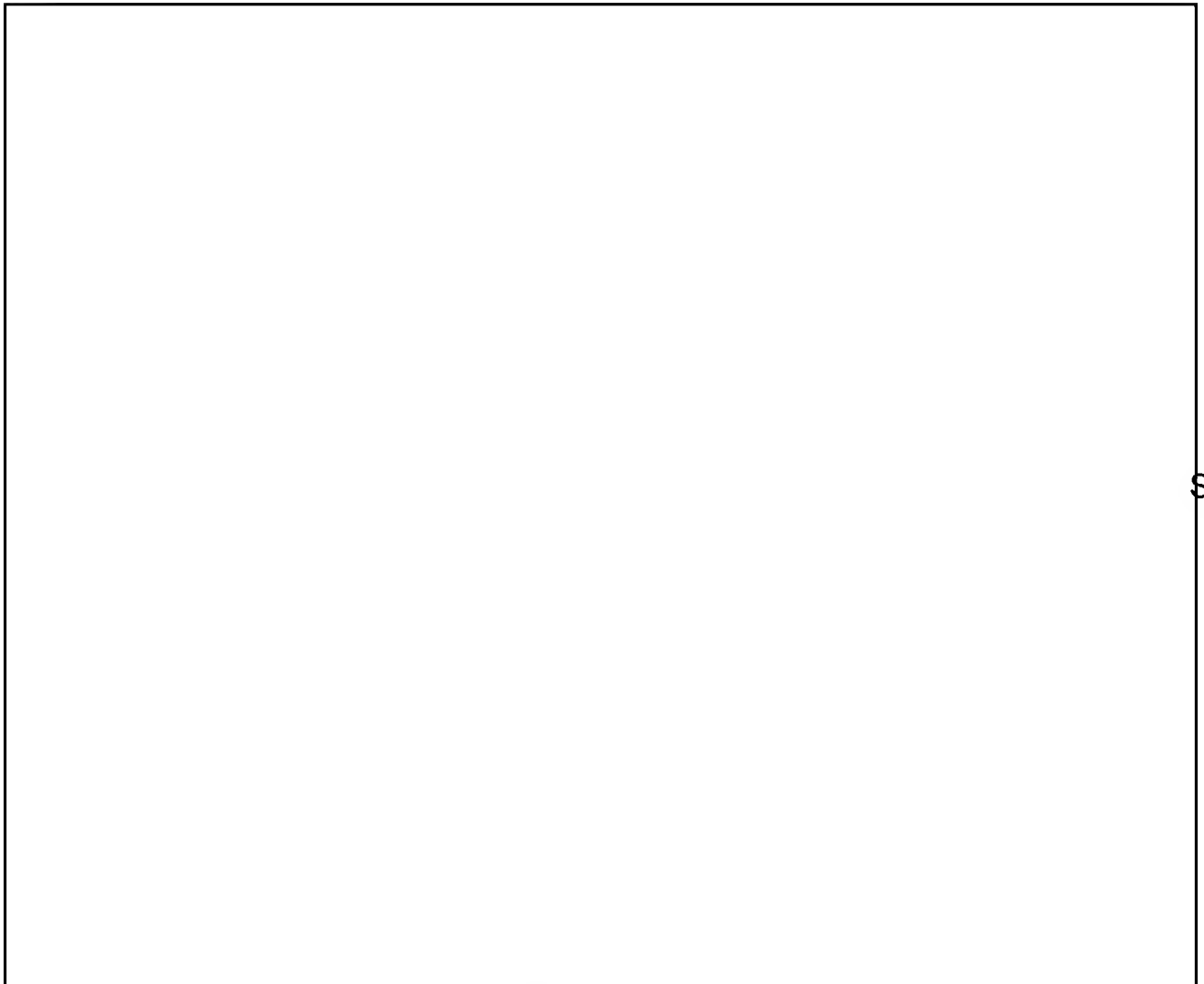
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h. Every government agency in Washington maintains one or more liaison cleared officials whose functions is to serve as the focal point for the transaction of intelligence matters; including, the receipt and delivery of intelligence materials, the coordination of requirements, and the servicing of collection.

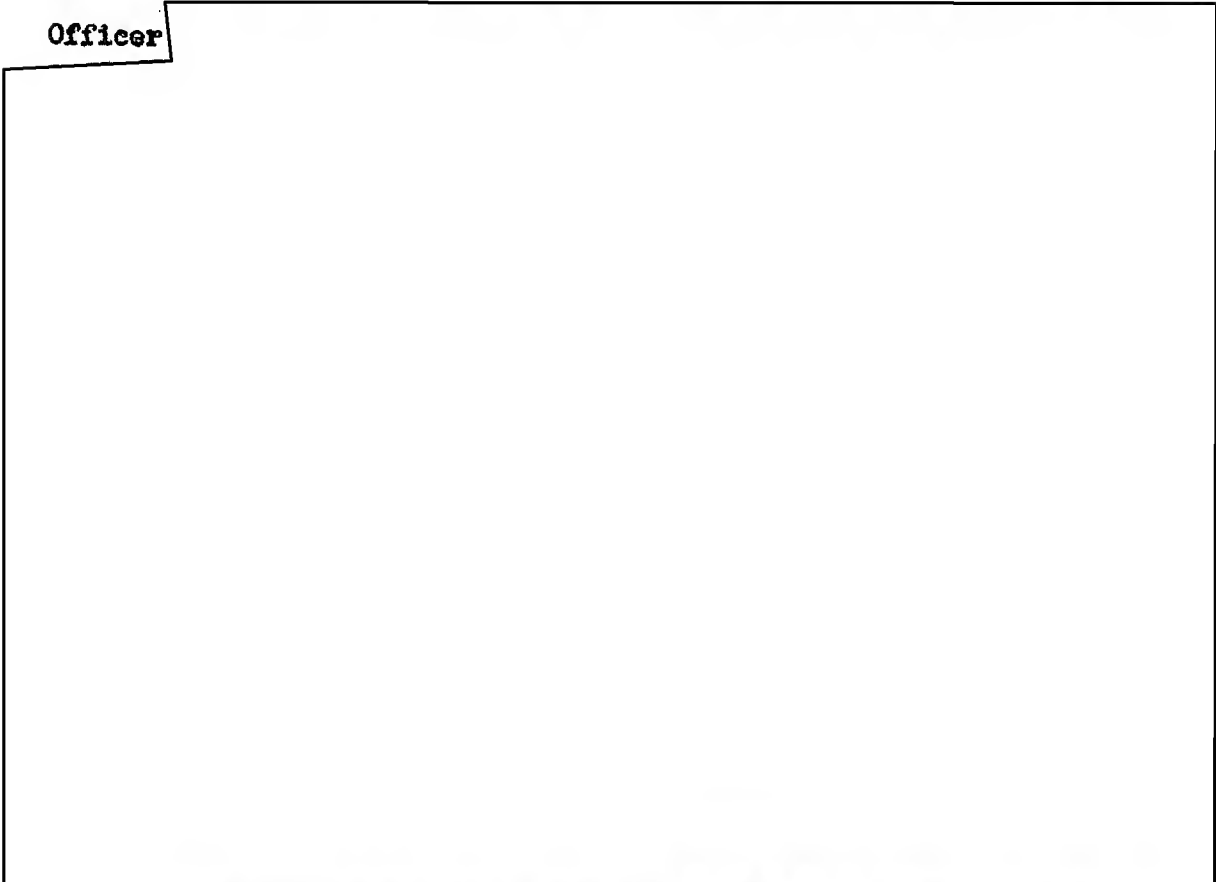
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directives.

2. An evaluation of the sufficiency of the several agencies' requests in the light of that program;

The several agencies' requests are generally adequate to support minimum essential requirements. However, except for the relief which approval would provide of certain over-ceiling budget terms requested by the State Department, a few acute shortages would continue to handicap the intelligence community. The most serious has been the absence of a full-time Publications Procurement Officer



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There is also urgent need for more adequate agricultural reporting on the Soviet Bloc.



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At current staffing levels, overt Foreign Service reporting, though adequate to meet the minimum needs of the intelligence community, suffers from (1) the inability of officers, because of the pressure of their other duties, to travel sufficiently beyond post cities, (2) a serious dearth of biographic information, (3) insufficient analytical reporting, and (4) insufficient attention among service attaches in many countries to the political orientation and political activity of important military figures. These findings resulted from a recent survey of Foreign Service reporting from all reads of the world and are substantiated by regular reports of the Foreign Service Inspectors.

Travel restrictions in the countries of the Soviet Orbit continue to be a major obstacle to effective collection by Military Attaches. Although these restrictions have been eased, officially, in some countries, there has been a simultaneous increase in surveillance and administrative harassment which severely hampers attache collection activities.

There has been an over-all reduction in Military Attache complements, although adjustments of personnel to augment staffs at critical posts have resulted in some net improvement in coverage

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at these posts. Substantial improvement in military intelligence collection, apart from restrictions or assistance by foreign governments, will depend upon improved guidance and the development of new collection techniques.

3. The areas of activity which may require altered emphases and/or modified coordination in the near future.

a. Economic Reporting. There is still insufficient Washington coordination of economic intelligence requirements, and of the collection action instituted to service such requirements. Certain collection gaps of high priority for the community as a whole may not receive adequate attention from certain channels; while in other cases there is still some duplication of reporting between Foreign Service, FOA, and military elements in the field. More definite facilities for coordinating standing instructions and spot requirements - among civilian and military end-users in Washington - plus more complete sharing of requests and of data in the field would help to solve this problem. As one specific step the EIC has agreed on the identification of highest-priority gaps in collection needed to support research in such fields as Soviet armament, electronics, and transportation. Approved lists of the collection data required have been transmitted to the EIC Subcommittee on Requirements and Facilities for Collation to explore the possibilities of coordinated planning of implementing collection efforts.

b. Publications Procurement. Full coordination of

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publications procurement in the field is desirable and necessary in order to prevent duplication of procurement in response to general requirements. Specific requirements are coordinated in Washington by the Procurement Sub-Committee established under NSCID-16.

c. Better Utilization of all Governmental Overseas

Personnel for Reporting Information. One of the major long-range problems in intelligence coordination is the development of systematic methods for tapping US personnel overseas who are not primarily reporting officers. Many of these officials, [REDACTED] are well informed on certain geographic areas and enjoy close contacts with segments of foreign societies which are often not accessible to regular reporting officers. At present, the potential of most of these officers for valuable information is not being exploited. [REDACTED]

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IAC-D-77/4  
3 December 1954

LIMITED DISTRIBUTION

MEMORANDUM FOR THE INTELLIGENCE ADVISORY COMMITTEE

SUBJECT: Special Budget Analysis - FY 1956

1. At the IAC Meeting of 21 September 1954 there were circulated copies of a letter dated 3 September 1954 from Mr. Rowland Hughes, Director of the Budget, requesting the IAC to "compile a special budget analysis summarizing by member agency the 1956 budget estimates for those overt intelligence collection activities which are the direct responsibilities of the officers comprising the Committee" (IAC-M-170). At the following meeting, on 5 October, it was decided to send an interim reply to the Director of the Budget proposing that a committee meet with Mr. Macy, as suggested by Mr. Hughes, for further clarification of the request (IAC-M-171). This letter was forwarded on 9 October (IAC-D-77/3) and the following working group, under the chairmanship of Colonel Lawrence K. White of CIA, was named:

State: Mr. Killea  
G-2: Colonel Gretser  
ONI: Captain Stuart  
AF: Major La Vigne

2. There is attached for the review and approval of the members of the IAC a copy of the special budget analysis prepared in response to this request. This report has been informally discussed with a representative of the Bureau of the Budget. In view of the timing involved, he stated that the report in its present form would satisfactorily serve the purposes for which it was requested this year.

3. Only one copy of this report is being sent to each of the IAC agencies since it is desired to limit the distribution of these budget figures on a need-to-know basis.

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IAC-D-77/4  
3 December 1954

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IAC-D-77/4  
3 December 1954

4. The Bureau of the Budget has expressed the desire to receive this report as soon as possible. It will be appreciated, therefore, if you will give it your earliest consideration, and communicate your concurrence or non-concurrence in the report to the Secretariat (Code 143, extension 3408) by noon, Friday, 10 December 1954.

5. Questions regarding the report may be referred to the Secretariat.



Secretary

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IAC-D-77/4  
3 December 1954



TAB A to  
IAC-D-77/3  
12 October 1954

C O P Y

9 October 1954

Honorable Rowland Hughes  
Director  
Bureau of the Budget  
Washington 25, D. C.

Dear Mr. Hughes:

The Intelligence Advisory Committee considered the request contained in your letter of 3 September at meetings held on 21 September and 5 October.

It was the feeling of certain of the members that a further elaboration of your request by Mr. Macy, as suggested in your letter, would be helpful. Several of the agencies also indicated that they have a definite problem in presenting tentative budget figures for 1956 in advance of final departmental confirmation.

I have, therefore, directed Colonel Lawrence K. White of CIA to contact Mr. Macy and make arrangements for an early meeting with a small IAC committee appointed for this purpose.

Sincerely yours,

/s/

Allen W. Dulles  
Director

TAB A to  
IAC-D-77/3  
12 October 1954

TOP SECRET

INTELLIGENCE ADVISORY COMMITTEE

29 September 1954

MEMORANDUM FOR: Mr. W. Park Armstrong  
Major General Arthur G. Trudeau  
Rear Admiral Carl F. Espe  
Major General John A. Samford  
Rear Admiral Edwin T. Layton

SUBJECT: Budgetary Analysis of Intelligence Programs

REFERENCES: a. IAC-M-130, items 3 and 4  
b. IAC-M-133, item 3  
c. IAC-D-71/1  
d. IAC-D-71/2

ENCLOSURE: A. Tabular Summary (with footnotes)  
of Estimated Cost of Strategic  
Intelligence, FY 1954

1. The attached recapitulation of costs of strategic intelligence is forwarded for your information.

2. The only other distribution made of these sensitive data outside the Bureau of the Budget has been to Mr. Lay, Executive Secretary, National Security Council.

3. I am holding a few additional copies in the event you would find them useful.

Secretary

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B

IAC-D-77/2  
31 December 1953

INTELLIGENCE ADVISORY COMMITTEE

BUDGETARY ANALYSIS OF INTELLIGENCE PROGRAMS

1. Attached is a Revised TAB B to be substituted for TAB B to IAC-D-77/1, 28 December 1953, which may be destroyed.

2. The attached revision adds to paragraph 3, as an additional classification, "g. Geographic." This agreed classification was inadvertently omitted from IAC-D-77/1. The Bureau of the Budget has been so notified.

[Redacted Signature]

Secretary

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IAC-D-77/2  
31 December 1953

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TAB B to  
IAC-D-77/1  
28 December 1953  
(Revised 31 December  
1953)

Suggested Categories for the Survey of Intelligence Budgets

1. The major categories should be restricted to the classical classification of intelligence, namely: collection, production and dissemination.
2. The category "collection" should be divided as overt and covert.
3. Intelligence activities under the category "production" should be further classified as follows:
  - a. Political, cultural and sociological
  - b. Ground Forces
  - c. Naval Forces
  - d. Air Forces
  - e. Economic
  - f. Scientific and Technical
  - g. Geographic
4. No attempt has been made to classify "production" or the subdivisions of "production" as basic, current and national intelligence. Such a division, if made, would be unrealistic, inasmuch as in some agencies the employment of personnel on these respective categories of intelligence will vary with the intensity of international relations and crises. There is no formula thus far discovered or used among the agencies which could indicate the actual allocation of total resources to those categories of intelligence.
5. The category "dissemination," for the sake of uniformity in the survey, should include screening, reproduction, translation, distribution and libraries, although the relationship of those functions to both production and collection is recognized.
6. In connection with these activities, whether by intelligence or by operations, which serve purposes other than intelligence, the approximate intelligence cost should be broken out and listed. This is particularly applicable to certain problems in collection, but is not necessarily restricted to collection.


TAB B to  
IAC-D-77/1  
(Revised 31 December  
1953)

IAC-D-77/1  
28 December 1953

INTELLIGENCE ADVISORY COMMITTEE

BUDGETARY ANALYSIS OF INTELLIGENCE PROGRAMS

Attached (TAB A) for the information of the IAC is a copy of the DCI's letter to the Bureau of the Budget on this subject. The letter incorporated suggestions made at the IAC meeting of 15 December (IAC-M-133, paragraph 3) and transmitted suggested categories (TAB B) as they were amended at that meeting and subsequently discussed with Mr. Macy.

  
Secretary

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IAC-D-77/1  
28 December 1953

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TAB A to  
IAC-D-77/1  
28 December 1953

COPY

23 December 1953

MEMORANDUM FOR: Mr. Robert M. Macy  
Bureau of the Budget

SUBJECT: Budgetary Analysis of Intelligence Programs

1. In response to your 17 November 1953 request for advice and assistance from the Intelligence Advisory Committee in the development of a more adequate budgetary analysis of U.S. intelligence programs and more specifically in the formulation of a categorized approach to budgetary analysis, there is attached a suggested initial listing of categories to accomplish these purposes.

2. In keeping with the understanding reached at the IAC meeting at which you were present, internal security programs are excluded from the categories as they will be excluded from the analysis.

3. Based on informal consultation, it is my understanding that you believe these categories will be suitable to assist you, at least in the initial stages, to achieve the objectives outlined by you on 17 November to the IAC.

4. As the survey proceeds, the Bureau should feel free to call upon the IAC for additional assistance, as appropriate. It would be appreciated if the Bureau's findings would be made available to the IAC.

/s/ Robert Amory, Jr.  
for  
ALLEN W. DULLES  
Director

TAB A to  
IAC-D-77/1  
28 December 1953

Suggested Categories for the Survey of Intelligence Budgets

1. The major categories should be restricted to the classical classification of intelligence, namely: collection, production and dissemination.

2. The category "collection" should be divided as overt and covert.

3. Intelligence activities under the category "production" should be further classified as follows:

- a. Political, cultural and sociological
- b. Ground Forces
- c. Naval Forces
- d. Air Forces
- e. Economic
- f. Scientific and Technical

4. No attempt has been made to classify "production" or the subdivisions of "production" as basic, current and national intelligence. Such a division, if made, would be unrealistic, inasmuch as in some agencies the employment of personnel on these respective categories of intelligence will vary with the intensity of international relations and crises. There is no formula thus far discovered or used among the agencies which could indicate the actual allocation of total resources to those categories of intelligence.

5. The category "dissemination," for the sake of uniformity in the survey, should include screening, reproduction, translation, distribution and libraries, although the relationship of those functions to both production and collection is recognized.

6. In connection with these activities, whether by intelligence or by operations, which serve purposes other than intelligence, the approximate intelligence cost should be broken out and listed. This is particularly applicable to certain problems in collection, but is not necessarily restricted to collection.

CONFIDENTIAL  
Security Information

IAC-D-77

10 December 1953

## INTELLIGENCE ADVISORY COMMITTEE

### Budgetary Analysis of Intelligence Programs

1. At its meeting of 17 November 1953, the IAC, after discussing the subject with representatives of the Bureau of the Budget, appointed an ad hoc committee of Agency representatives to develop a classification system, or systems, which would be useful in the review or survey of intelligence budgets (IAC-M-129). The representatives have held four meetings, at one of which Bureau representatives were present, and have agreed on suggested categories for the survey (attached as the annex to Tab A).

2. At its meeting of 24 November, the IAC charged the ad hoc committee with considering, in addition to a classification system, the other methods of review suggested by the Bureau, as well as the Bureau's stated objectives (IAC-M-130). The committee's agreed comments on these aspects of the subject are included in the draft memorandum from the DCI to Mr. Macy (Tab A).

3. Mindful of the Bureau's desired timing, the ad hoc committee suggests that this matter be considered by the IAC at its meeting on 15 December and recommends that the IAC approve Tab A and its dispatch to the Bureau of the Budget.

Secretary

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IAC-D-77

10 December 1953

CONFIDENTIAL



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CONFIDENTIAL  
Security Information

TAB A to  
IAC-D-77

MEMORANDUM FOR: Mr. Robert M. Macy,  
Bureau of the Budget

SUBJECT: Budgetary Analysis of Intelligence  
Programs

*are analyzed*

1. The Intelligence Advisory Committee, having considered your presentation of 17 November, recognizes that, despite the difficulties involved in a review of all budgets pertaining to intelligence, this is a necessary process if the President is to be informed of the total cost of intelligence as he views all other aspects of the national security program of the government.
2. The IAC recognizes also that Congress and others outside of intelligence have not to date been fully aware of the interdependence of and effective coordination between the various agencies of the government participating in the intelligence program. Insofar as an examination of the present distribution of resources will assist in the understanding of this interdependence and coordination it would be helpful.
3. The IAC understands from discussion with Bureau representatives that internal security programs are excluded from this survey and that the survey will not be used in connection with appropriations.
4. The review may reveal what might at first appear to be areas of unprofitable duplication. We foresee the dangers of pointing up conclusions without the detailed analysis and understanding of functions which may be characteristic of the IAC and its member agencies, who live with the problem from day to day.
5. In order to offset these dangers, we heartily support the Bureau's view that we should work closely together. Accordingly, the IAC has developed a classification list (attached) which seems the most significant and meaningful feasible classification of intelligence activities to assist the analysis proposed by the Bureau of the Budget.

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CONFIDENTIAL

TAB A to  
IAC-D-77

CONFIDENTIAL

Security Information

TAB A to

IAC-D-77

DRAFT

-2-

6. We recognize that subcategories may seem to be desirable as the Bureau of the Budget proceeds to obtain the departmental data appropriate to the several agreed attached categories.

7. As the survey proceeds in the departments or agencies concerned, the IAC invites the Bureau to call upon it at any time that it believes the IAC can facilitate or contribute to the survey. It would be appreciated if the Bureau's findings would be made available to the IAC.

ALLEN W. DULLES

Director of Central Intelligence

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TAB A to

IAC-D-77

CONFIDENTIAL  
Security Information

Annex A to  
Tab A to  
IAC-D-77  
10 December 1953

Suggested Categories for the Survey of Intelligence Budgets

1. The major categories should be restricted to the classical classification of intelligence, namely: collection, production and dissemination.

2. The category "collection" should be divided as overt and covert.

3. Intelligence activities under the category "production" should be further classified as follows:

- a. Political, cultural and sociological
- b. Ground Forces
- c. Naval Forces
- d. Air Forces
- e. Economic
- f. Scientific and Technical
- g. Geographic

4. No attempt has been made to classify "production" or the subdivisions of "production" as basic, current, and national intelligence. Such a division, if made, would be unrealistic, inasmuch as in some agencies the employment of personnel on these respective categories of intelligence will vary with the intensity of international relations and crises. There is no formula thus far discovered or used among the agencies which could indicate the actual allocation of total resources to those categories of intelligence.

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Annex A to  
Tab A to  
IAC-D-77  
10 December 1953

CONFIDENTIAL  
Security Information

Annex A to  
Tab A to  
IAC-D-77  
10 December 1953

5. The category "dissemination" for this purpose should include screening, reproduction, translation\*, distribution and libraries.\*\*

6. In connection with these activities, whether by intelligence or by operations, which serve purposes other than intelligence, the approximate intelligence cost should be broken out and listed. This is particularly applicable to certain problems in collection, but is not necessarily restricted to collection.

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\* In CIA, translation is considered a part of collection.

\*\* Army prefers a more restrictive definition of "dissemination" as being that intelligence activity which involves solely the conveyance of intelligence information and finished intelligence.

Annex A to  
Tab A to  
IAC-D-77  
10 December 1953

CONFIDENTIAL

11 December 1953

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: Briefing Note on IAC-D-77,  
Item 3 on IAC Agenda for  
15 December 1953

The following facts are believed to be all necessary to supplement the IAC document on Budgetary Analysis:

a. The Budget Bureau's representatives mentioned in paragraph 1 of the covering memorandum were Messrs. Hamilton and Perry, who attended the 2 December meeting of the ad hoc committee.

b. The offices under DDI, the DDP, and the DDA have been consulted in the preparation of this paper.

c. OSI and ORR attended the committee's meetings and proposed additional subcategories in their respective fields; these were considered by the committee and rejected, largely because the agencies could not agree to the proposals within the time available. ORR and OSI have agreed to accept this decision, and wish it understood that the EIC and SEC would be suitable mechanisms for developing agreed subcategories of Economic and Scientific production, should that prove desirable.

d. The first footnote to paragraph 5 of Annex A to Tab A is included at the insistence of the AD/O.

JAMES Q. REBER  
Assistant Director  
Intelligence Coordination

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Noted by DD/I  
12/16

Noted by DCI  
12/16

Noted by D/DCI  
12/16

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Approved For Release 2002/09/05 : CIA-RDP85S00362R000500070001-8

11 December 1953

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: Briefing Note on IAC-D-77,  
Item 3 on IAC Agenda for  
15 December 1953

The following facts are believed to be all necessary to supplement the IAC document on Budgetary Analysis:

a. The Budget Bureau's representatives mentioned in paragraph 1 of the covering memorandum were Messrs. Hamilton and Perry, who attended the 2 December meeting of the ad hoc committee.

b. The offices under DDI, the DDP, and the DDA have been consulted in the preparation of this paper.

c. OSI and ORR attended the committee's meetings and proposed additional subcategories in their respective fields; these were considered by the committee and rejected, largely because the agencies could not agree to the proposals within the time available. ORR and OSI have agreed to accept this decision, and wish it understood that the EIC and SEC would be suitable mechanisms for developing agreed subcategories of Economic and Scientific production, should that prove desirable.

d. The first footnote to paragraph 5 of Annex A to Tab A is included at the insistence of the AD/O.

*See both footnotes  
Why necessary?*

JAMES Q. REBER  
Assistant Director  
Intelligence Coordination

OIC:JQR:KM (11 December 1953)

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11 December 1953

**MEMORANDUM FOR: Director of Central Intelligence**

**SUBJECT: Briefing Note on IAC-D-77,  
Item 3 on IAC Agenda for  
15 December 1953**


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**JAMES Q. REBER**  
Assistant Director  
Intelligence Coordination

OIC:JQR:KM (11 December 1953)

**Distribution:**

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Security Information

11 December 1953

**MEMORANDUM FOR: Director of Central Intelligence**

**SUBJECT: Briefing Note on IAC-D-77,  
Item 3 on IAC Agenda for  
15 December 1953**

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[Redacted Signature]

**JAMES Q. REBER**  
Assistant Director  
Intelligence Coordination

OIC:JQR:KM (11 December 1953)

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IAC-D-76  
1 December 1953

(May be downgraded to  
Confidential when detached)

INTELLIGENCE ADVISORY COMMITTEE

WSEG Request for Study of Soviet Bloc Military  
Transport Capabilities Through Eastern Europe

1. Attached (Tabs A and B) are copies of letters exchanged by the Director/WSEG and the DCI on this subject.
2. Representatives of the EIC Subcommittee on Transportation have examined existing studies on this subject and have noted major differences in assumptions and methods which make it impossible to reconcile conclusions without undertaking a completely new study. This view has been discussed with representatives of WSEG who joined with the EIC Subcommittee on Transportation in preparing detailed terms of reference. These terms of reference have been concurred in by the EIC and are summarized in Tab C. The EIC proposed a completion date of 15 May 1954, and this date has been agreed with representatives of WSEG.
3. This matter will be considered at the IAC meeting of 8 December 1953.

Secretary

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1 December 1953

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CIA 36330  
TAB B to  
IAC-D-76  
1 December 1953

CENTRAL INTELLIGENCE AGENCY  
WASHINGTON 25, D. C.

OFFICE OF THE DIRECTOR

16 September 1953

Lieutenant General Geoffrey Keyes  
Director  
Weapons Systems Evaluation Group  
Office of the Secretary of Defense  
Washington 25, D. C.

Dear General Keyes:

In reply to your letter of 27 August 1953, I heartily agree with the desirability of having a coordinated intelligence position on this subject, and in line with your suggestion I have forwarded your letter to the Chairman of the Economic Intelligence Committee, Dr. Otto E. Guthe.

Since this project will obviously involve considerable effort on the part of professional personnel in the other IAC agencies as well as in CIA, it will be necessary for me to present your request to the Intelligence Advisory Committee for approval. In order to give the IAC a clear idea of the basic assumptions and the scope of this project, I have asked Dr. Guthe to arrange a meeting, through your office, of appropriate WSEG and EIC working level personnel for the purpose of drawing up a project terms of reference. When this is completed, I will present it immediately to the IAC for approval and will lend it my full support.

Sincerely,

/s/

ALLEN W. DULLES  
Director

TAB B to  
IAC-D-76

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